

GUARANTEED NEWSWORTHY

Monthly **Single Family Housing Guaranteed Loan Program** News
for the Mortgage Professional

Iowa – January 2010

HAPPY NEW YEAR

NEW NEWS

CONGRATULATIONS ON A RECORD-BREAKING YEAR!!!!

Iowa's Top Five Loan Origination Lenders (Submitting) for 2009

AND

Iowa's Top Five Loan Writing Lenders (Approved) for 2009

*Based upon number of **loans** = number of **families** becoming homeowners*

2009 Loan Origination

1. **Wells Fargo Bank N.A.** – Iowa
166 Loans - \$16,912,862
2. **Valley Bank** – Iowa
155 Loans - \$17,120,775
3. **Residential Mortgage Network, Inc.** – Iowa
122 Loans - \$14,342,388
4. **Mortgage Services, III** – Iowa
116 Loans - \$10,728,884
5. **United Bank of Iowa** - Carroll, Denison, Glidden, Harlan, Ida Grove, Lake City, Rockwell City,
Schleswig & Storm Lake
104 Loans - \$7,276,591

2009 Loan Writing

1. **Mortgage Services, III** – Iowa
223 Loans - \$21,349,135
2. **JP Morgan Chase Bank, N.A.** – Iowa
195 Loans - \$16,759,050
3. **Wells Fargo Bank, N.A.** – Iowa
189 Loans - \$18,973,169
4. **Valley Bank** – Iowa
155 Loans – \$17,120,775
5. **Iowa Bankers Mortgage Corporation** – Iowa
149 Loans – \$10,919,771

MORE deserve **HONORABLE MENTION** for having 50+ loans in calendar year 2009:

- **American Southwest** – Iowa
- **American State** – Alford, Granville, Hull & Sioux Center
- **Bank of America** – Iowa
- **Bankers Bank** – Iowa
- **First Citizens National** – Charles City, New Hampton & Charles City
- **Metlife** – Iowa
- **State Bank of Paw Paw**

Iowa's 2009 SFHGLP

Total	Total Dollars	Average Loan
2,843	\$265,015,124	\$93,216

PROCESSING

Guaranteed Underwriting System (GUS) does NOT determine stable and dependable income. **It remains the lender's responsibility.**

RD Instruction 1980-D, section 1980.345(c)(2)(i) states:

"In considering qualifying income, the Lender must determine whether there is a historical basis to conclude that the income is likely to continue. Typically, income of less than 24 months duration should not be included in qualifying income."

It is the approved lender's responsibility to determine that the applicant's income is stable, predictable, and likely to continue. GUS does not evaluate the stability and dependability of repayment income in the underwriting recommendation. The approved lender is responsible for making an analysis of the income prior to entering these amounts on the "Income and Expenses" application page in GUS. The lender must use sound underwriting judgment in making this determination. The anticipated amount of income, and likelihood of its continuance, must be established to determine the applicant's capacity to repay the loan prior to obtaining a GUS recommendation. The approved lender must also ensure all documentation is retained to support the amounts of income entered.

The GUS Underwriting Findings Report includes the following standard message on every GUS loan file in the "Lender's Required Conditions" section to remind the lender of their responsibilities:

#624: Verification of Income: Lender must obtain documentation to support income eligibility and repayment purposes. All sources of income must be validated by the underwriter. Refer to 1980.353(e) and applicable Administrative Notices for further guidance. Eligibility income on the Eligibility page may differ from the repayment income entered on the Income and Expenses page.

There are different types of income to consider for the guaranteed loan program. RD Instruction 1980-D, section 1980.353(e) outlines the acceptable forms of documentation the underwriter must verify to document stable and dependable income.

RD Instruction 1980-D, section 1980.347 discusses annual income for program eligibility determinations. In many cases annual income will differ from repayment income. Section 1980.347(e) explains additional income sources that may be considered for repayment ability but not annual income purposes.

Administrative Notices [4474](#) "Stable and Dependable Income," and [4470](#) "Underwriting and Closing Loans-Documentation Matrix," further clarify stable and dependable income as well as appropriate documentation necessary to support the calculated amounts entered into GUS. The 1980-D Instruction and Administrative Notices may be found online at: www.rurdev.usda.gov/regs.

Lenders can not rely on GUS to make the determination as to whether income is stable and dependable. Capacity in GUS is based upon the presumption the lender performed their due diligence and have determined that qualifying income meets the intent of RD Instruction 1980-D. The approved lender remains responsible for making this determination prior to entering income into the GUS application pages.

NEW ADMINISTRATIVE NOTICES (ANs)

ANs for the previous 12 months may be found at http://www.rurdev.usda.gov/regs/an_list.html. No new AN's since our last newsletter.

All RD offices will be **CLOSED** for a statewide meeting from **February 2nd** through **February 4th**. Hopefully this advance notice will allow time to plan accordingly as no staff will be accessible for assistance during these three days.

Don't be left behind! Sign up for ListServ to receive important GRH updates instantly!
ListServ is a FREE email service that delivers instant program updates for Guaranteed Loan Origination, GUS: Guaranteed Underwriting System, and Guaranteed Loan Servicing. To subscribe to the SFHGLP lists: [Go to http://www.rdlst.sc.egov.usda.gov](http://www.rdlst.sc.egov.usda.gov). Check the updates you wish to receive and click "Subscribe."

UPCOMING EVENTS

Our offices will be **closed**:

Monday, January 18, 2010 – Martin Luther King, Jr.'s Birthday

Tuesday, February 2, 2010 through Thursday, February 4, 2010 – State Meeting

Monday, February 15, 2010 – President's Day

USEFUL INFO

USDA, Rural Development www.rurdev.usda.gov

• All Programs • Regulations • Office Contacts • REO Property Listings •

Iowa's SFHGLP Site <http://www.rurdev.usda.gov/ia/rhsquar.html>

• Handbook • Newsletters • Applicant Info • New Lender Info •

Property & Income Eligibility <http://eligibility.sc.egov.usda.gov>

• Income Limits • Property Location •

Iowa State Office Housing Staff

Heather Honkomp • Rural Housing Program Director • heather.honkomp@ia.usda.gov • 515-284-4493

Mary Beth Juergens • Rural Housing Specialist • mary.juergens@ia.usda.gov • 515-284-4487

Linda Rhoades • Single Family Housing Specialist • linda.rhoades@ia.usda.gov • 515-284-4723

Daniel Koetters • Rural Housing Specialist • dan.koetters@ia.usda.gov • 515-284-4685

John Bazal • Rural Housing Technician • john.bazal@ia.usda.gov • 515-284-4666

Rural Development **office contact** information may be found at
http://www.rurdev.usda.gov/ia/rhsquar_ia_SFHGLP_Staff.html.

To request **changes to our email list** such as removals or additions, please email
Linda.Rhoades@ia.usda.gov with the request.

We appreciate your assistance with the maintenance of our email list. Thank you.



Iowa State Office

210 Walnut Street, Room 873, Des Moines, Iowa 50309

Phone 515-284-4666 • Fax 515-284-6668 • www.rurdev.usda.gov/ia

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